

# **OE ENERGY MARKET SNAPSHOT**

## **National Version – December 2007 Data**

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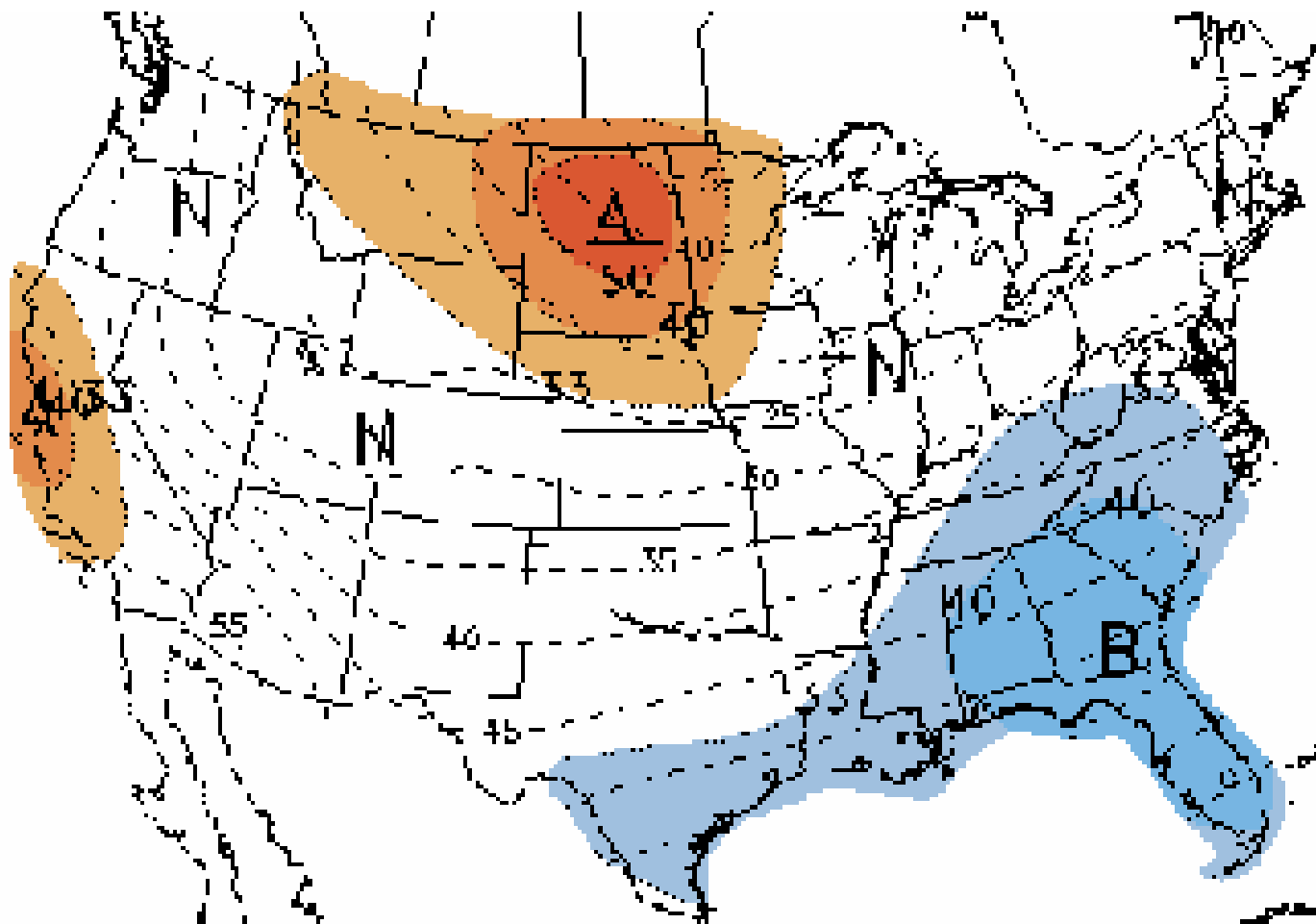
- **Market Fundamentals**
- **Prices and Market Analysis**

Office of Enforcement  
Federal Energy Regulatory Commission  
January 2008

A decorative graphic consisting of several red lines. A vertical line on the left side is intersected by a horizontal line that spans across the page. The lines have a slight blur or motion effect.

# Market Fundamentals

## NOAA's 8 to 14 Day Temperature Forecast Made January 9, Valid for January 17-23, 2008



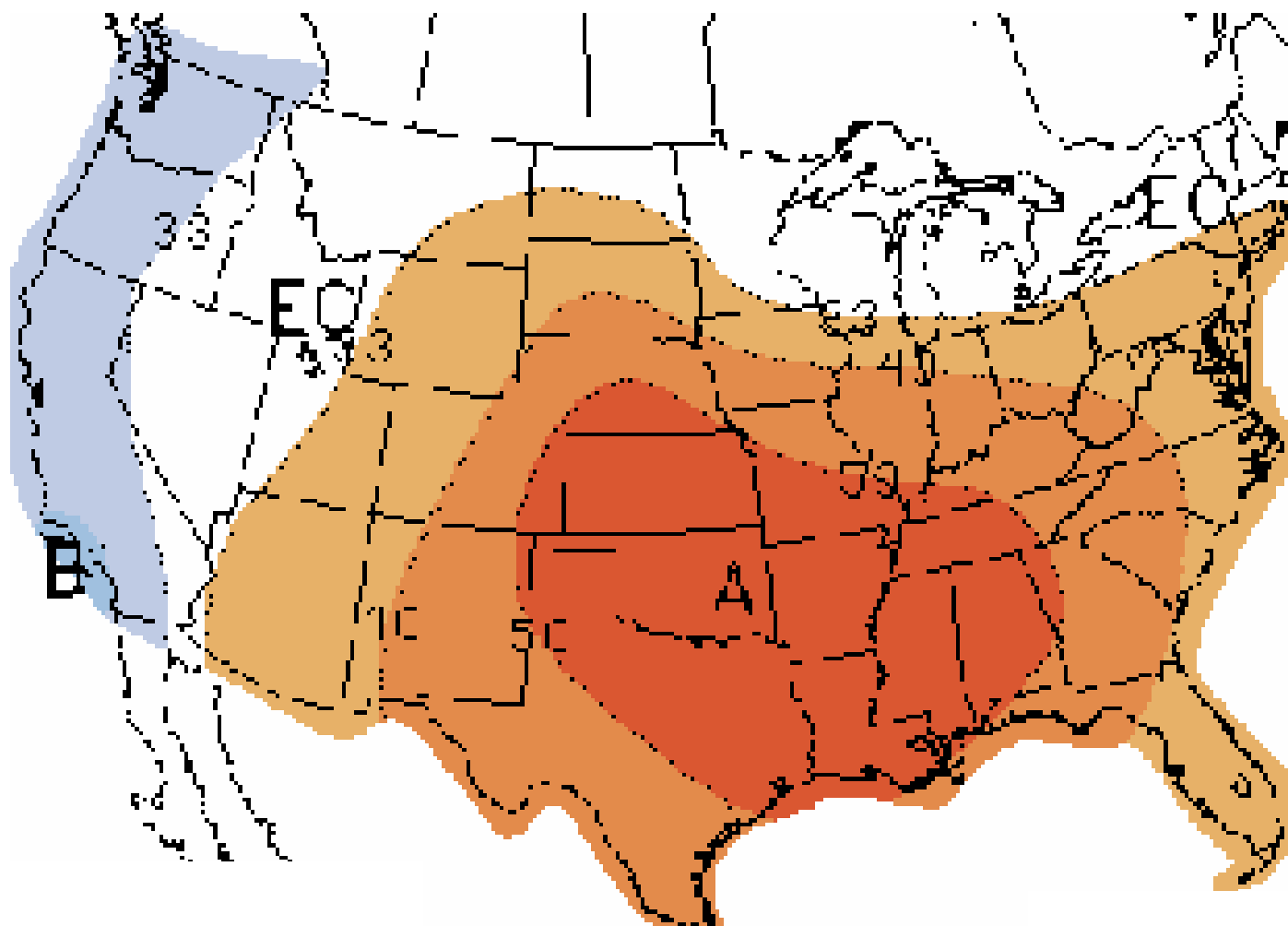
Note: "A" areas are above normal and "B" areas are below normal. Normal is based on the last 30 years of data.

Source: NOAA

Updated January 10, 2008

3012

## NOAA's Monthly Temperature Forecast Made December 31, Valid for January 2008



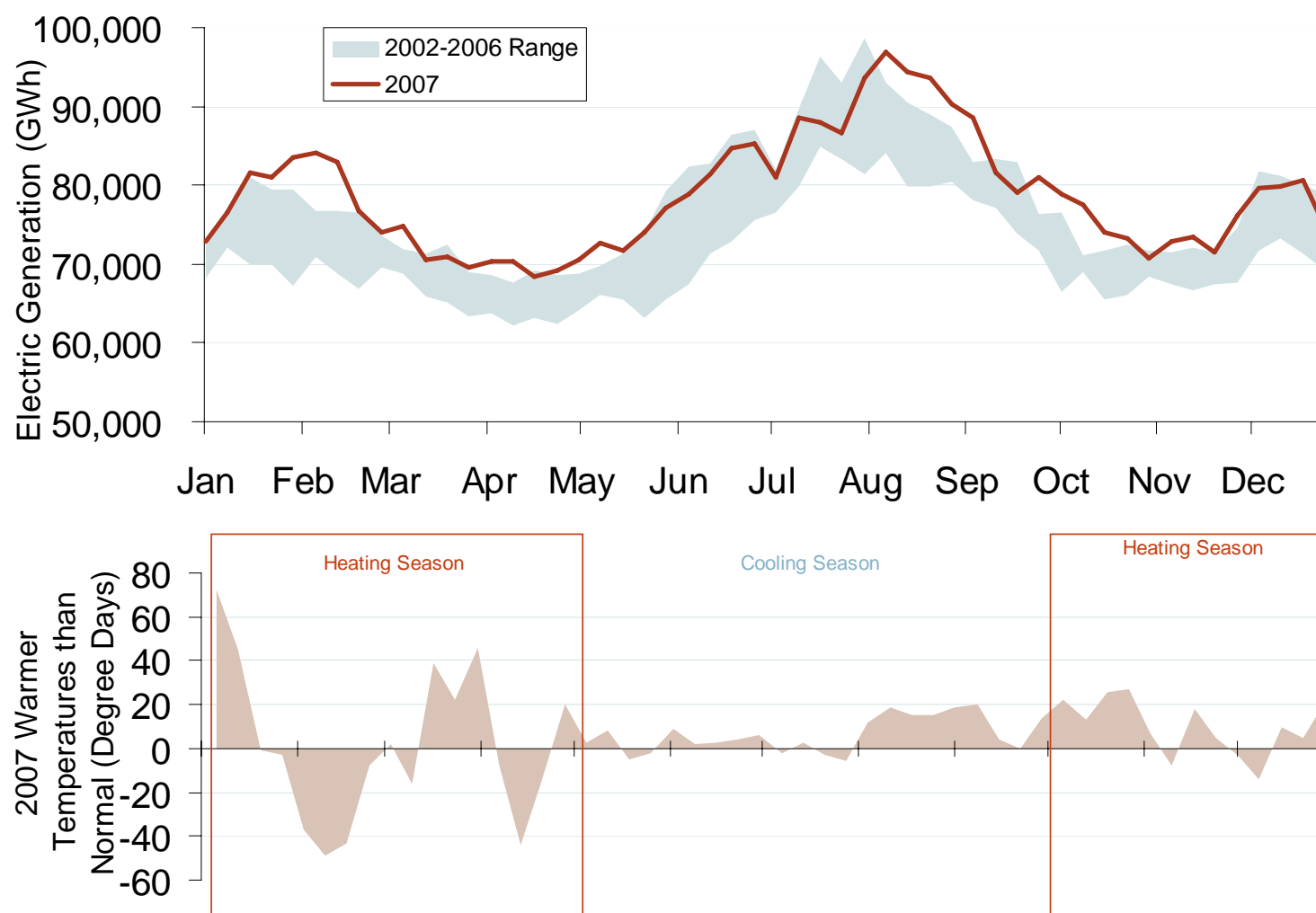
Note: "A" areas are above normal, "B" areas are below normal and "EC" means equal chance. Normal based on the last 30 years of data.

Source: NOAA

Updated January 10, 2008

3012

## Weekly U.S. Electric Generation Output and Temperatures

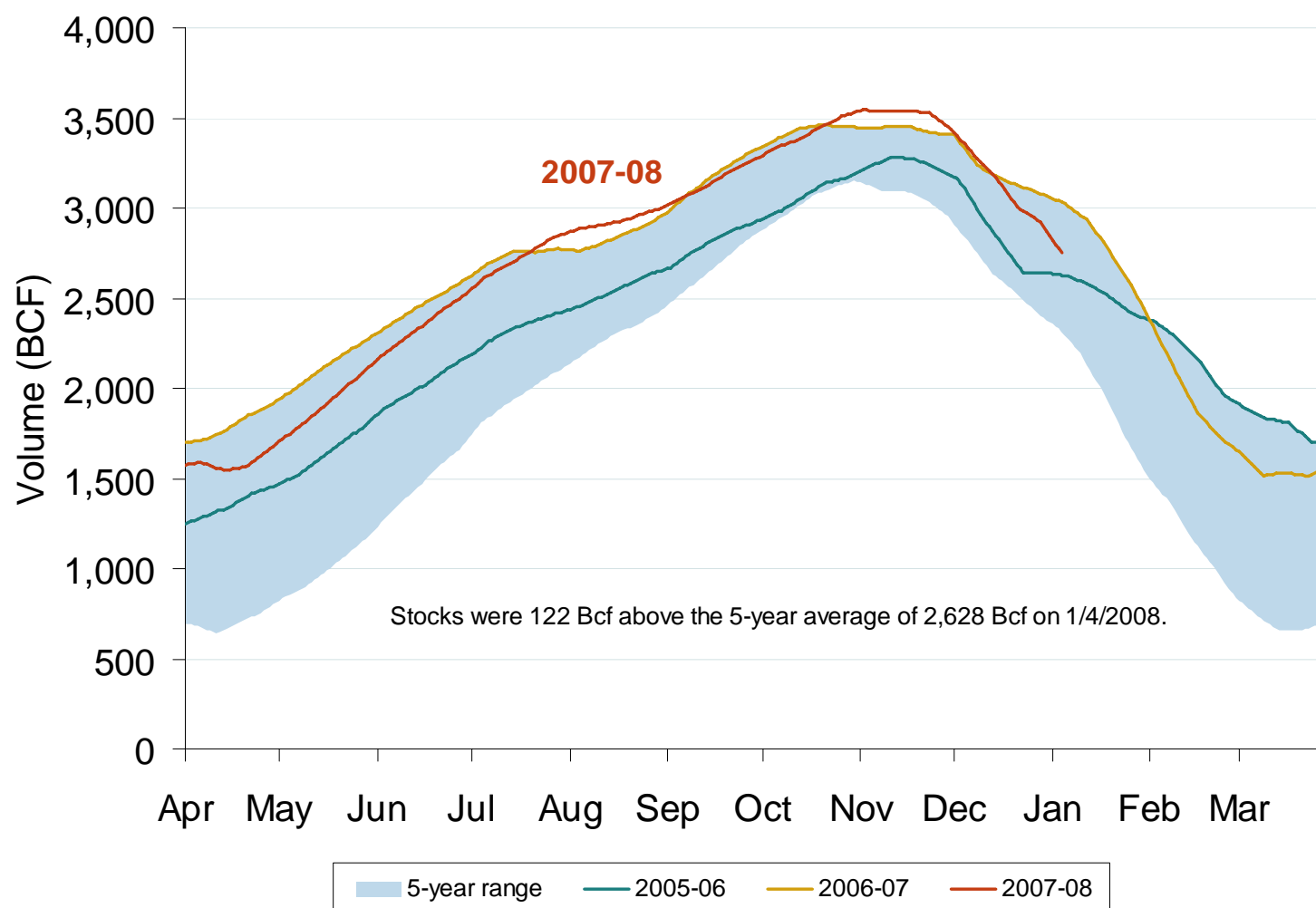


Source: Derived from *EEl* and *NOAA* data.

Updated January 9, 2008

1110

## Total U.S. Working Gas in Storage

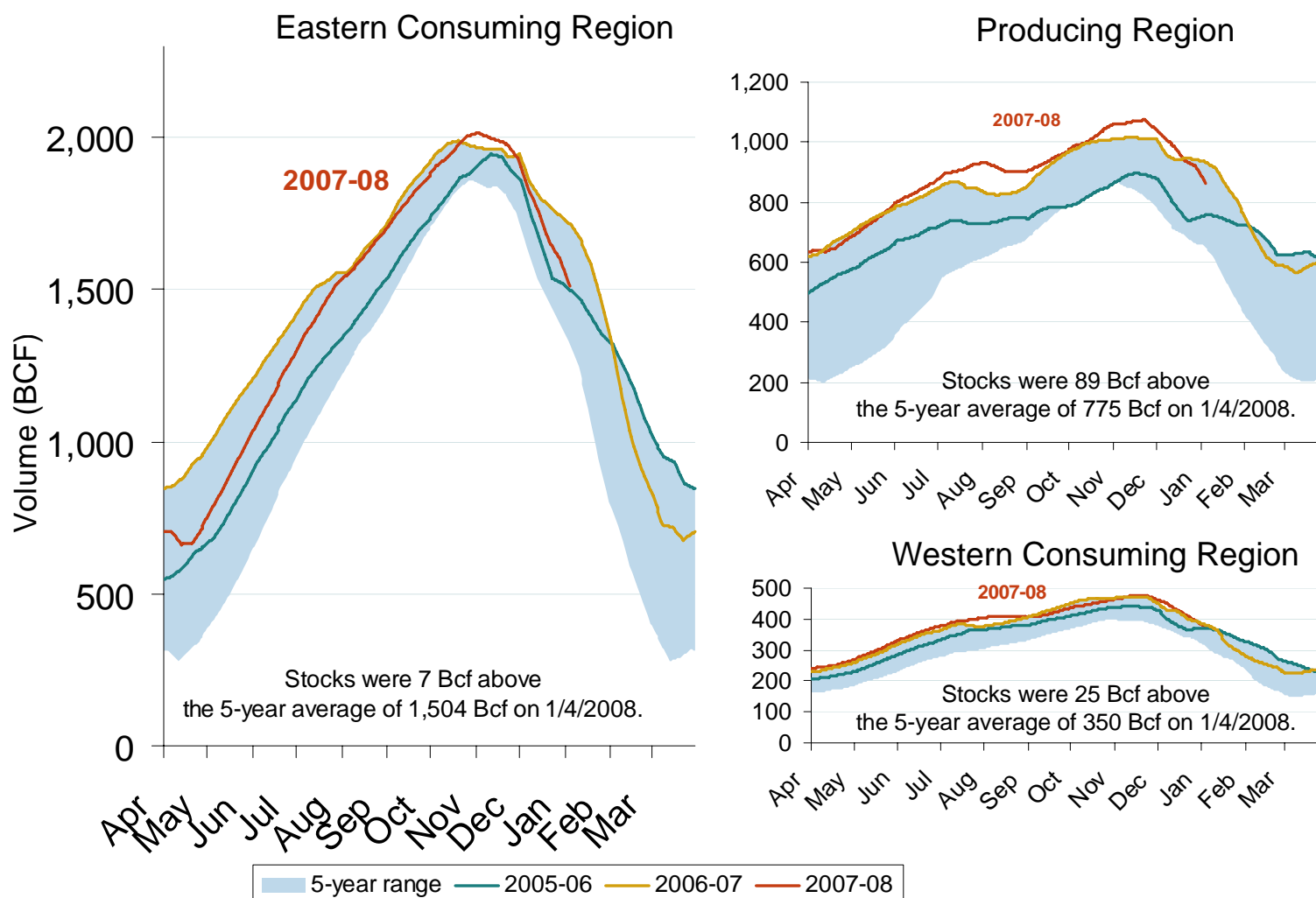


Source: Derived from EIA data.

Updated January 10, 2008

2003

## Regional Totals of Working Gas in Storage

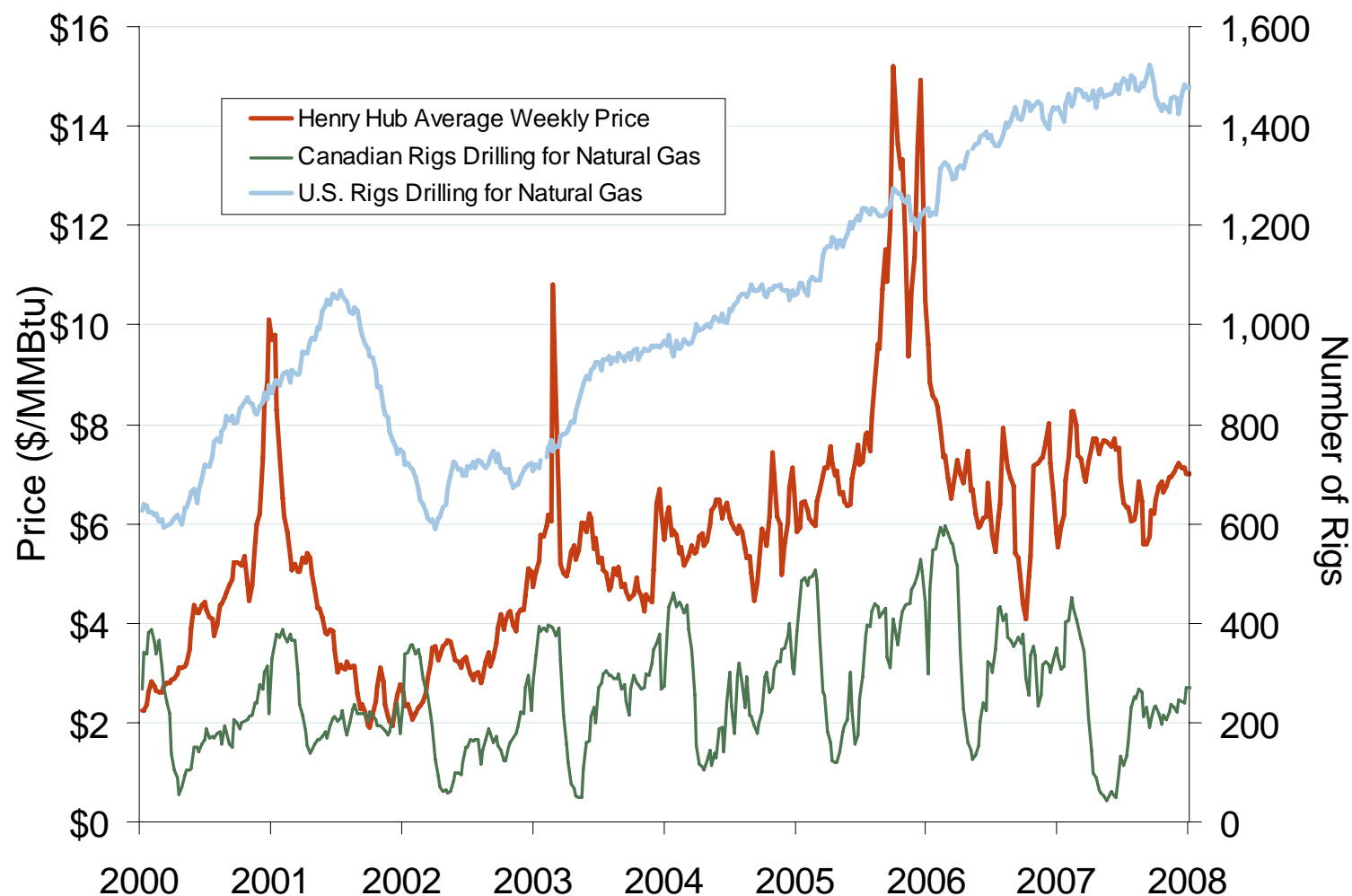


Source: Derived from EIA data.

Updated January 10, 2008

2004

## U.S. and Canadian Natural Gas Drilling Rig Count and Daily Spot Prices



Source: Derived from *Platts* and *Baker Hughes* data.

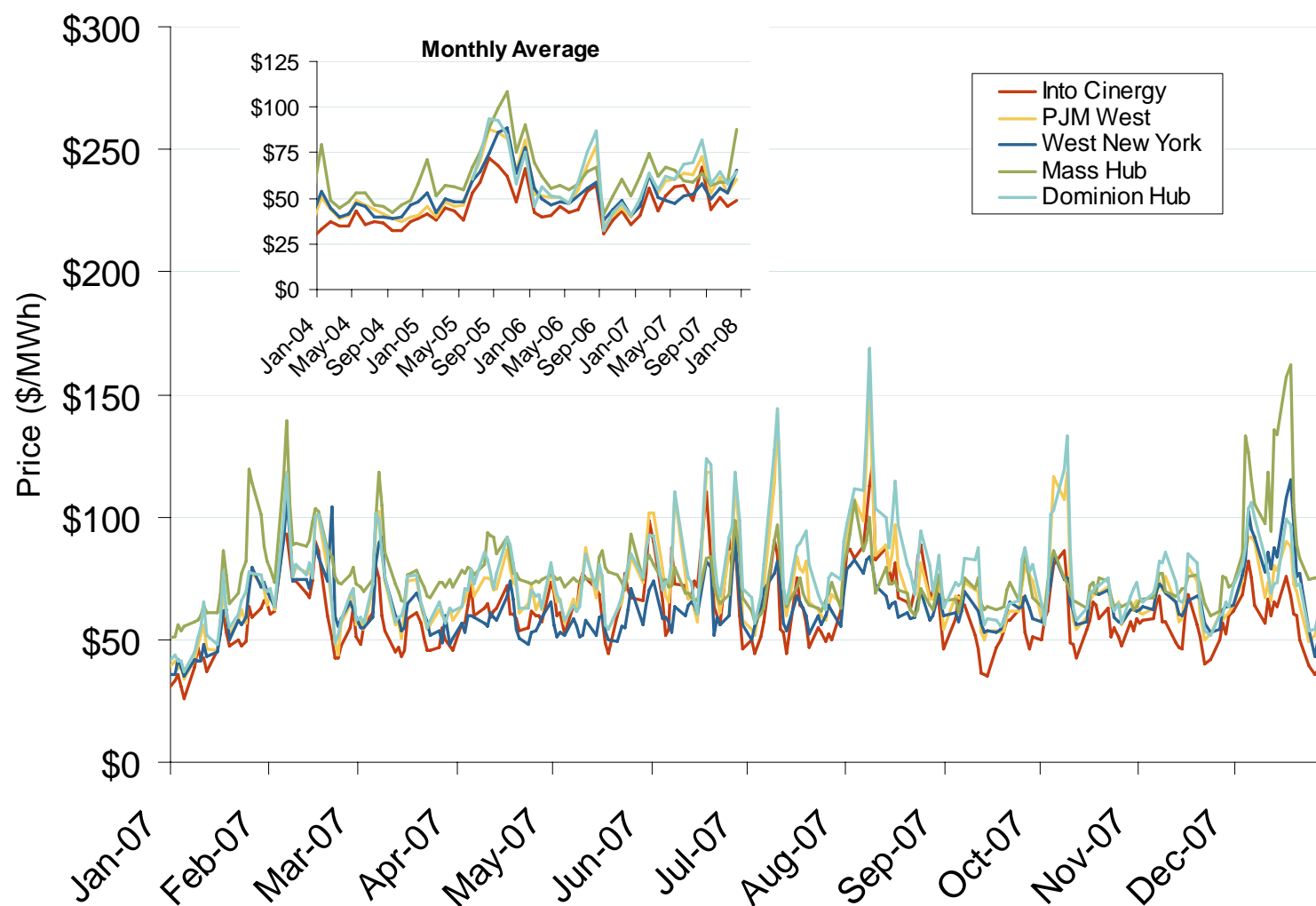
Updated January 9, 2008

2007

A decorative graphic consisting of several red lines. A vertical line on the left side is intersected by three horizontal lines, creating a cross-like shape. The lines have a slight blur or motion effect.

# Prices and Market Analysis

## Eastern Daily Bilateral Day-Ahead On-Peak Prices

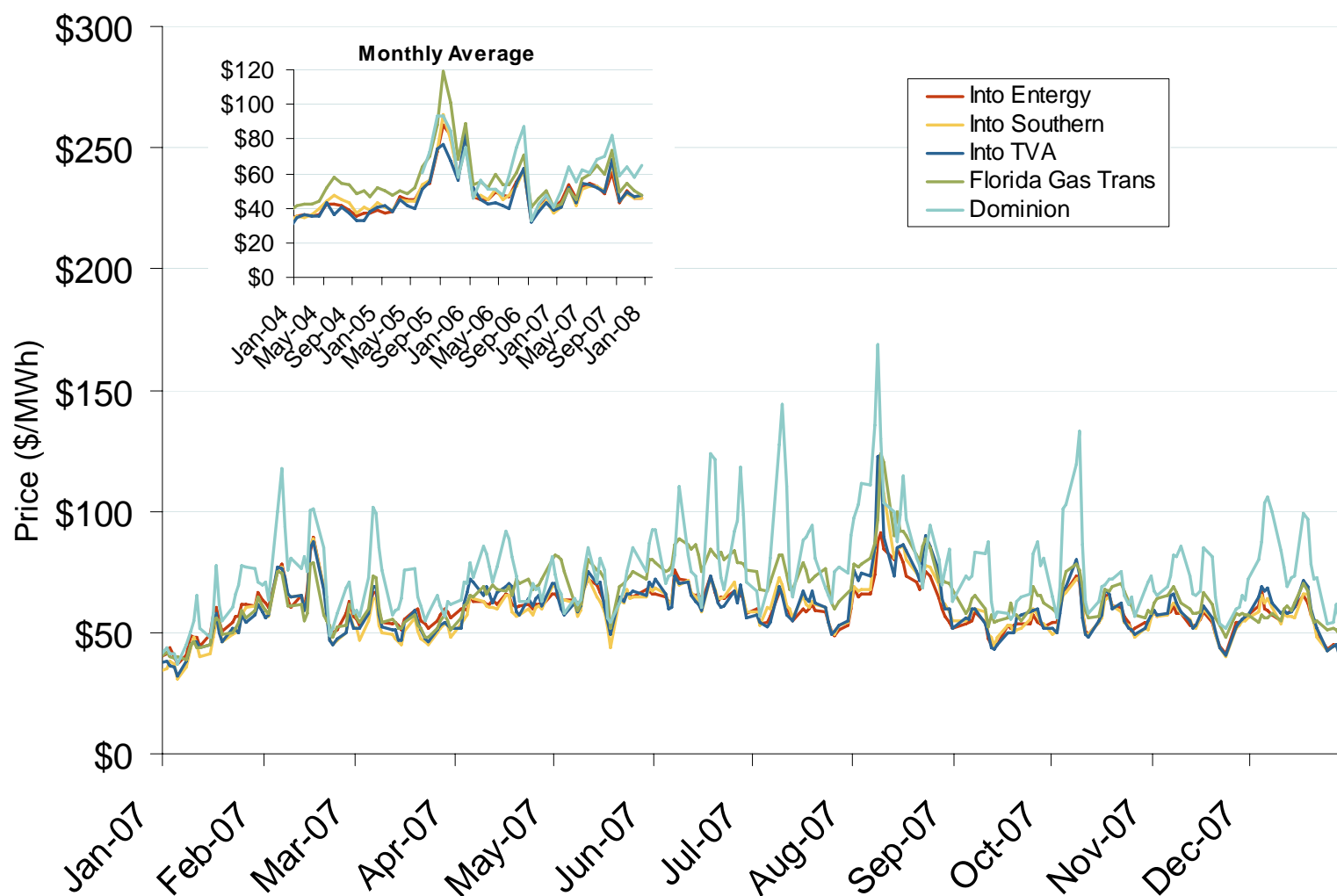


Source: Derived from Platts data.

Updated January 9, 2008

1014

## Southeastern Daily Bilateral Day-Ahead On-Peak Prices

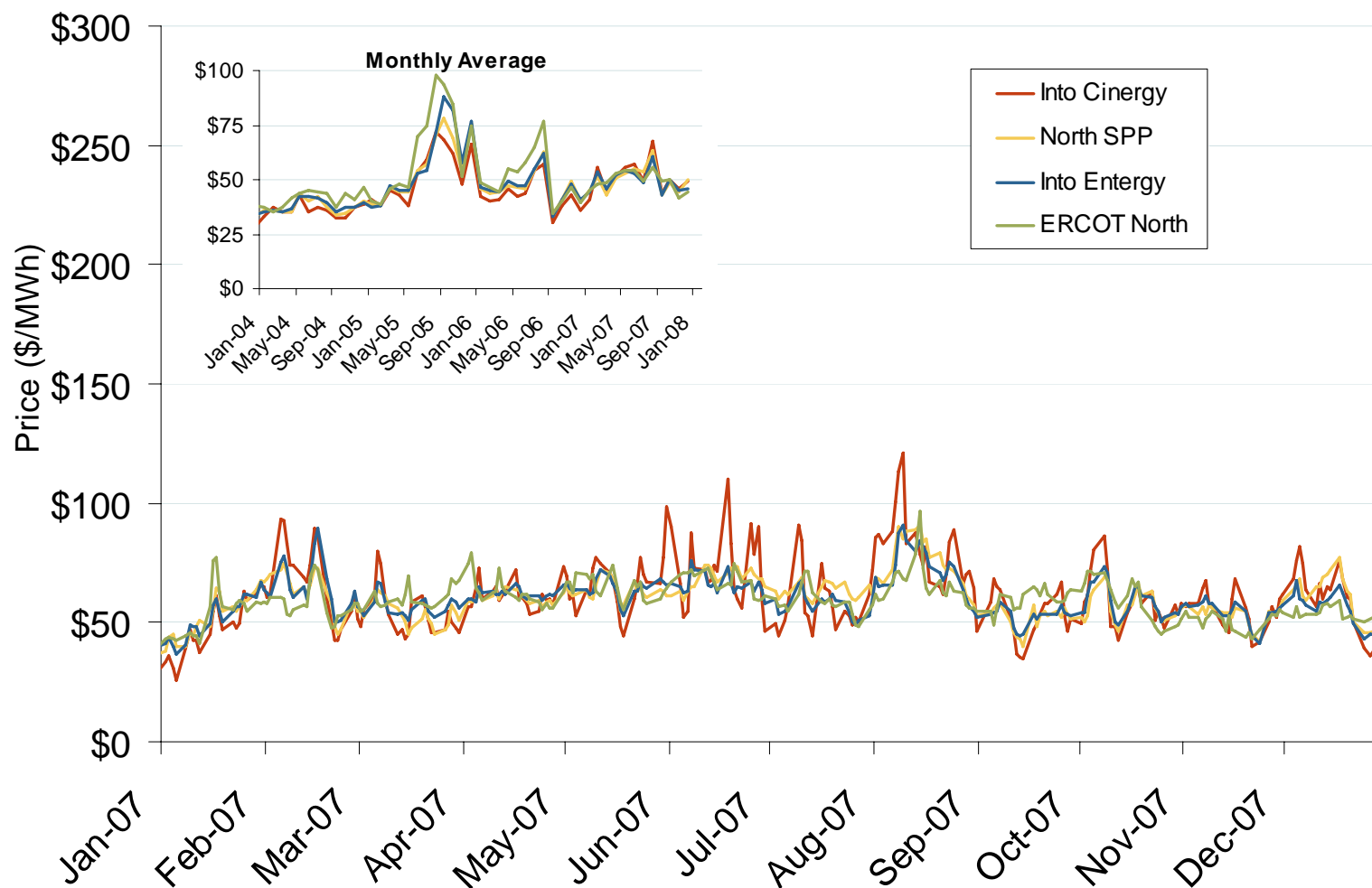


Source: Derived from Platts data.

Updated January 9, 2008

1059

## Midwestern Daily Bilateral Day-Ahead On-Peak Prices

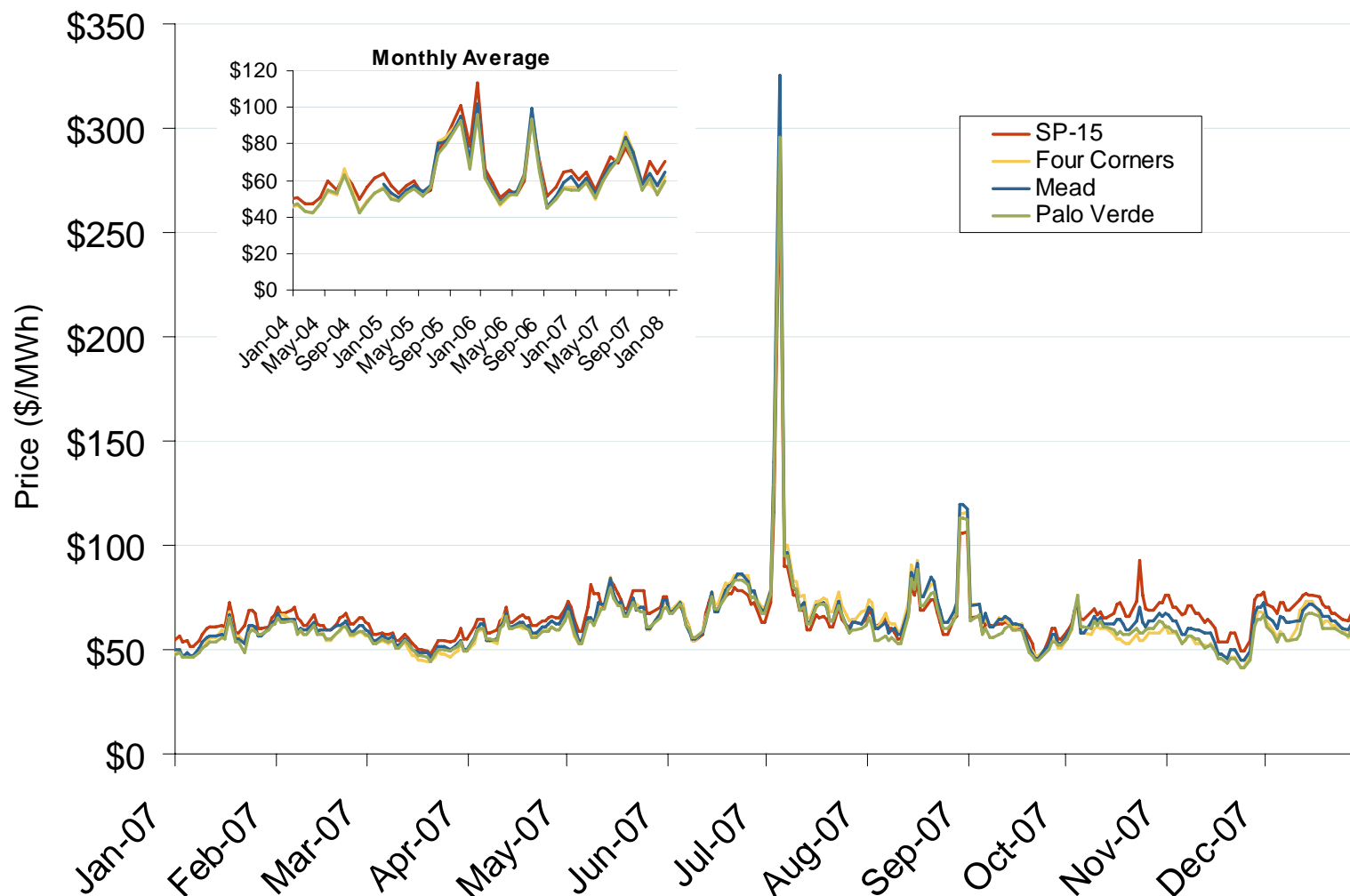


Source: Derived from *Platts* data.

Updated January 9, 2008

1073

## Southwestern Daily Bilateral Day-Ahead On-Peak Prices

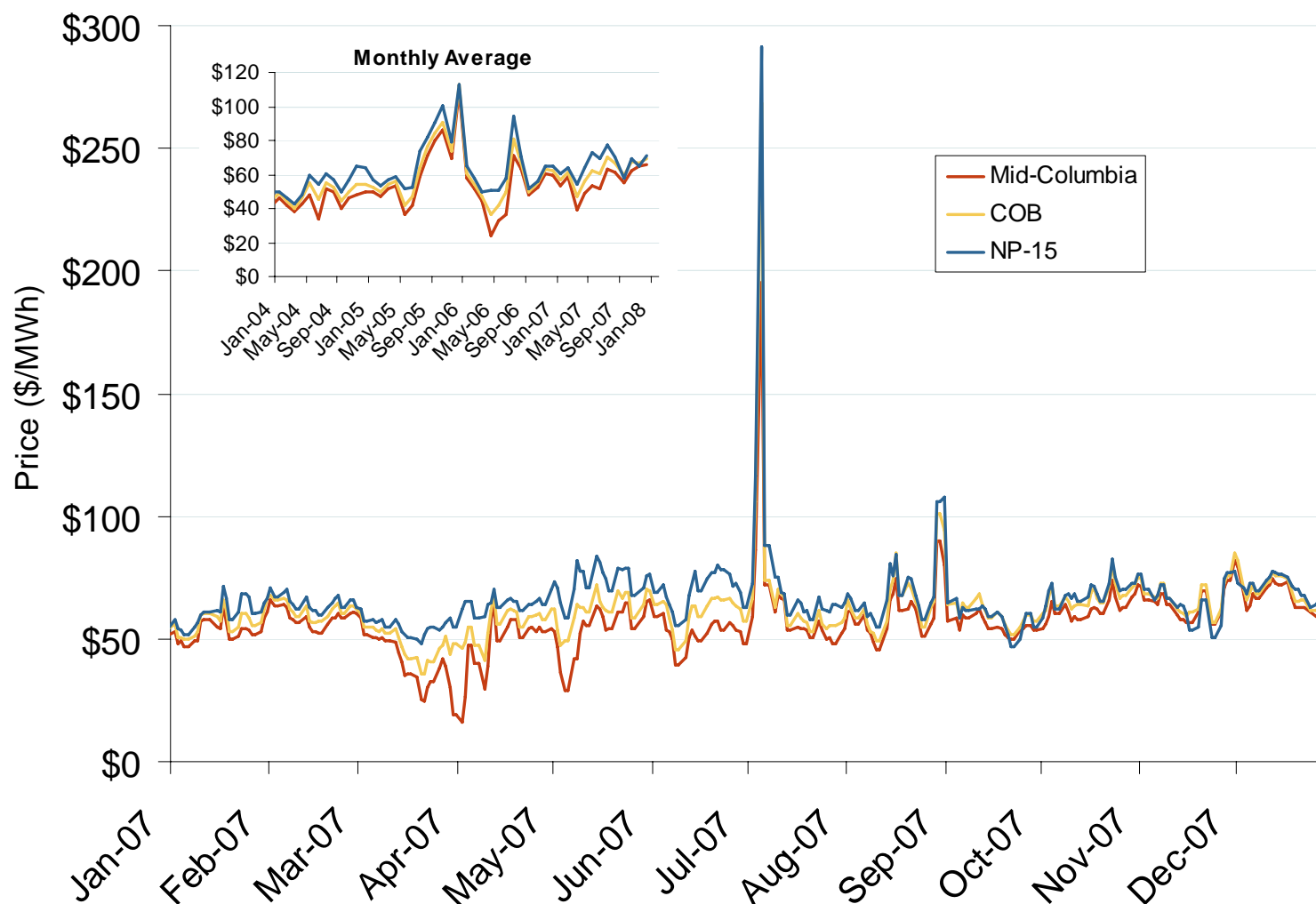


Source: Derived from *Platts* data.

Updated January 9, 2008

1066

## Northwestern Daily Bilateral Day-Ahead On-Peak Prices



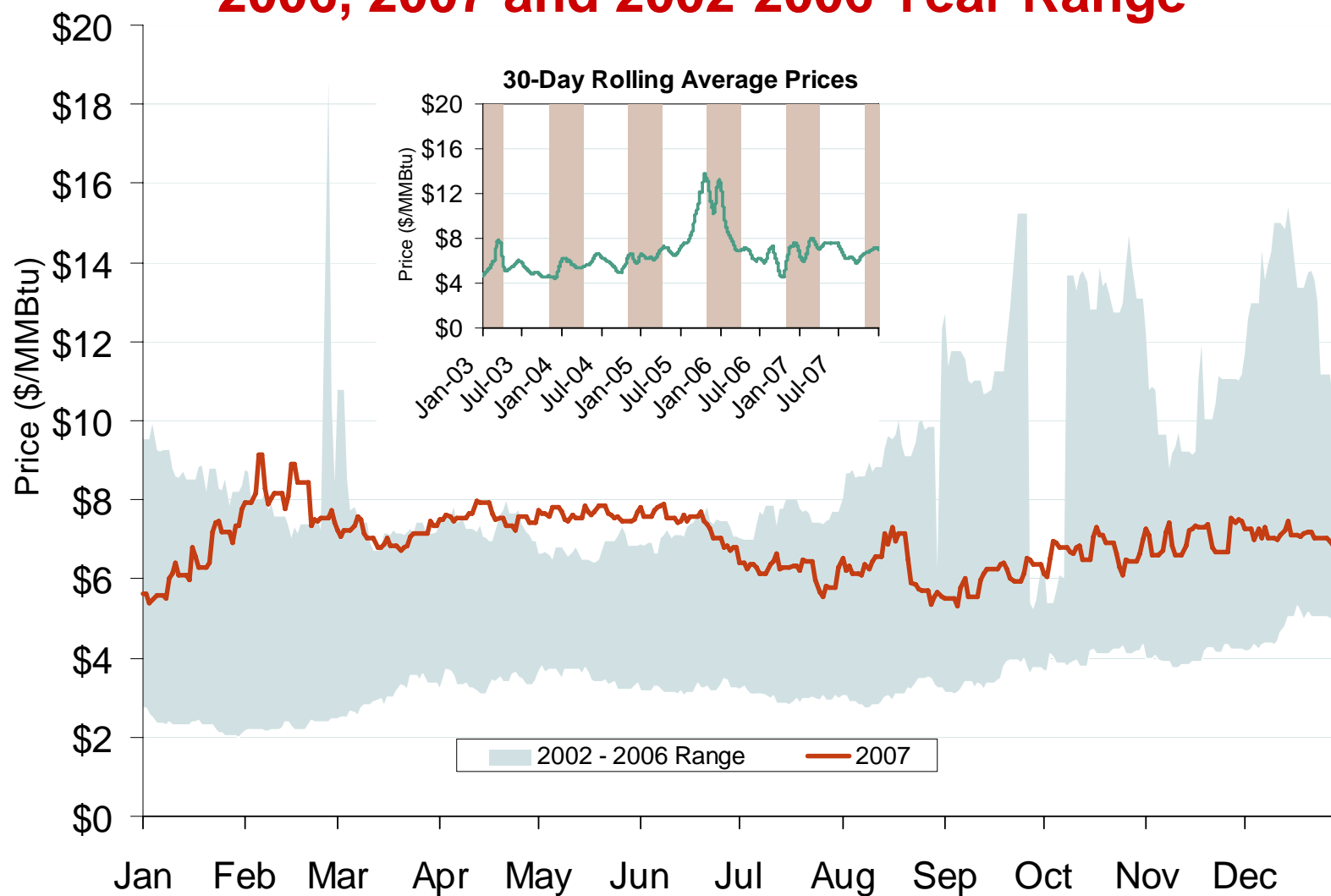
Source: Derived from *Platts* data.

Updated January 9, 2008

1041

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## Henry Hub Natural Gas Daily Spot Prices 2006, 2007 and 2002-2006 Year Range

Source: Derived from *Platts* data.

Updated January 9, 2008

## Henry Hub and AECO Prompt-Month Futures Prices

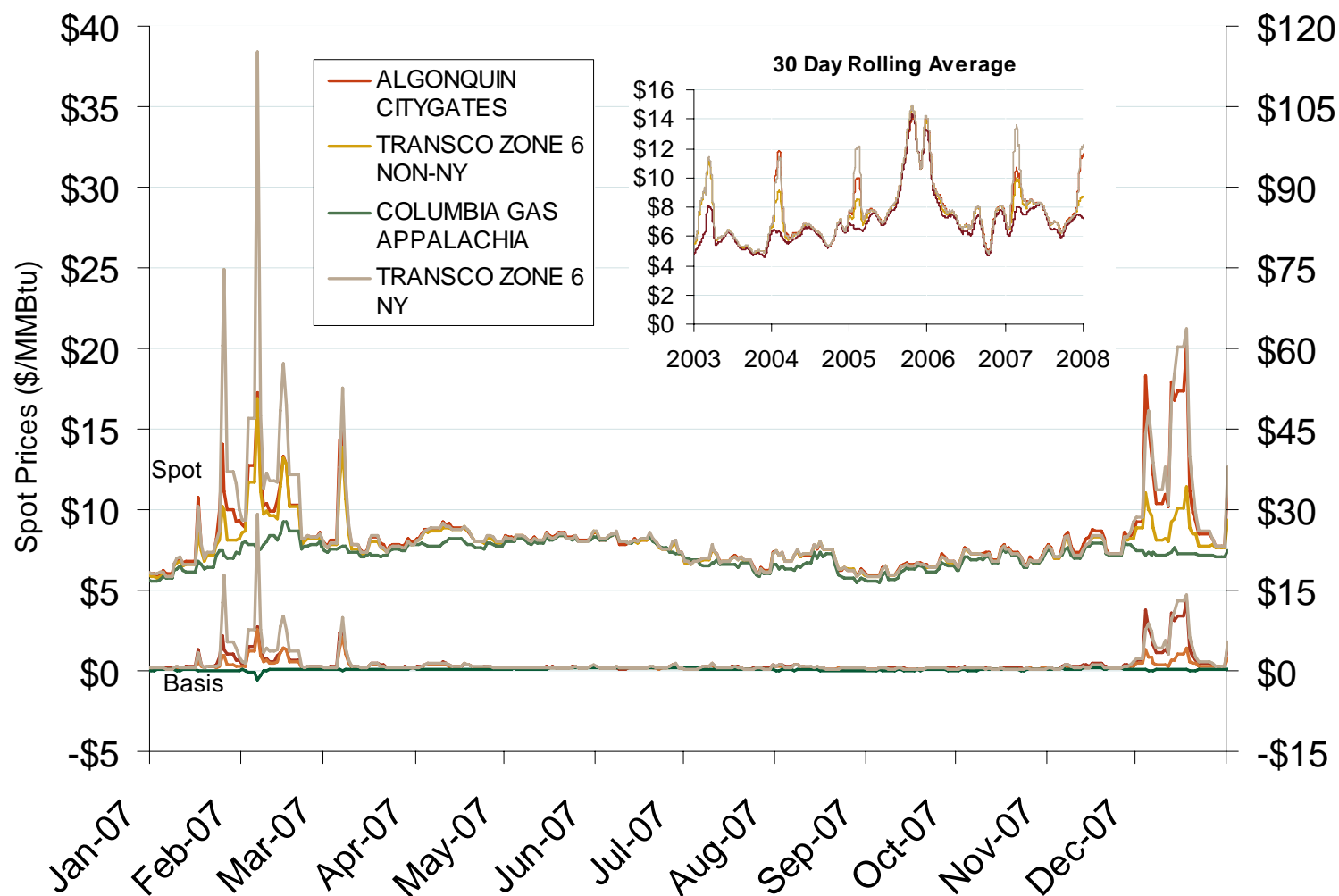


Source: Derived from ICE data.

Updated January 9, 2008

2172

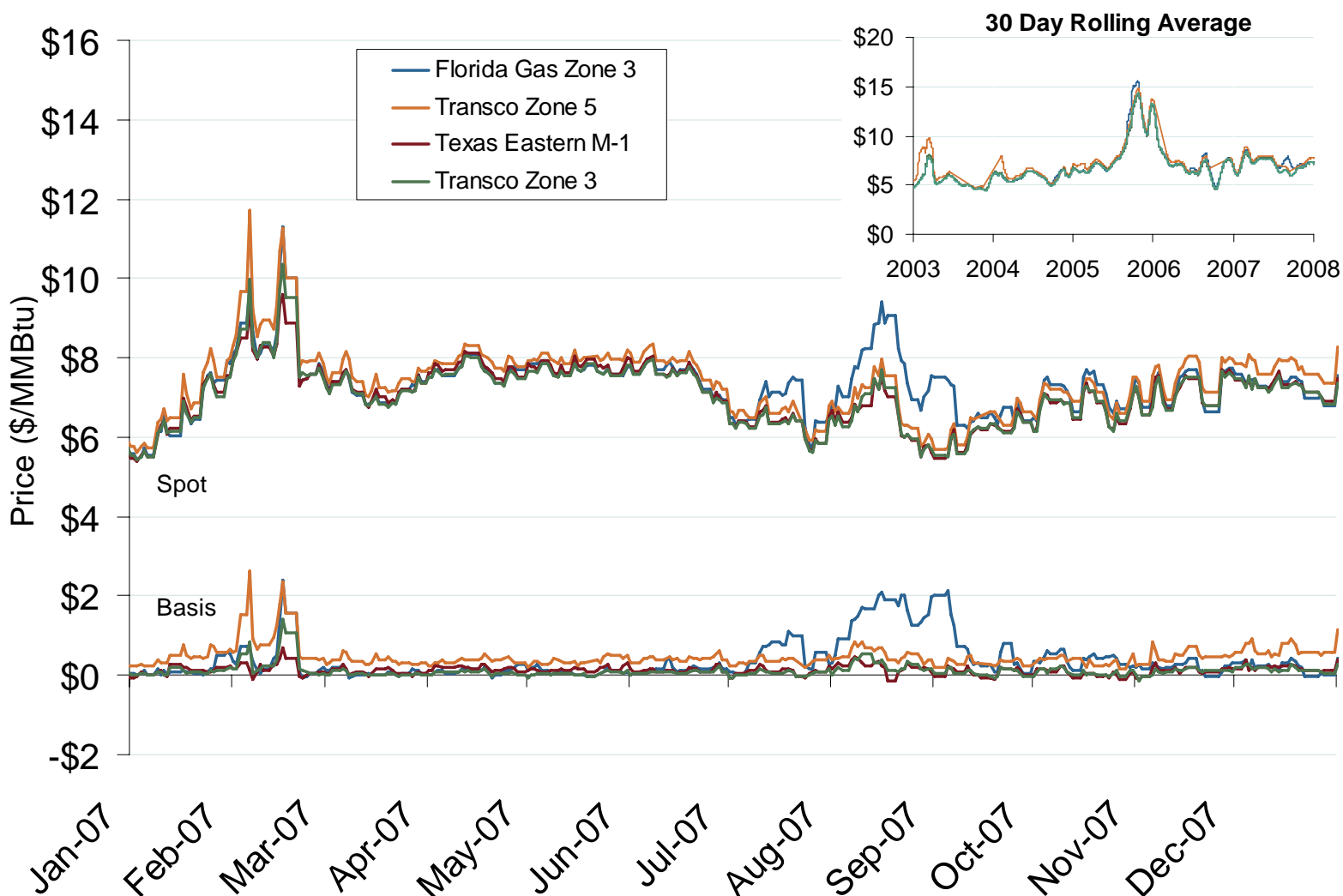
## Northeastern Spot Prices and Basis

Source: Derived from *Platts* data.

Updated January 9, 2008

2030

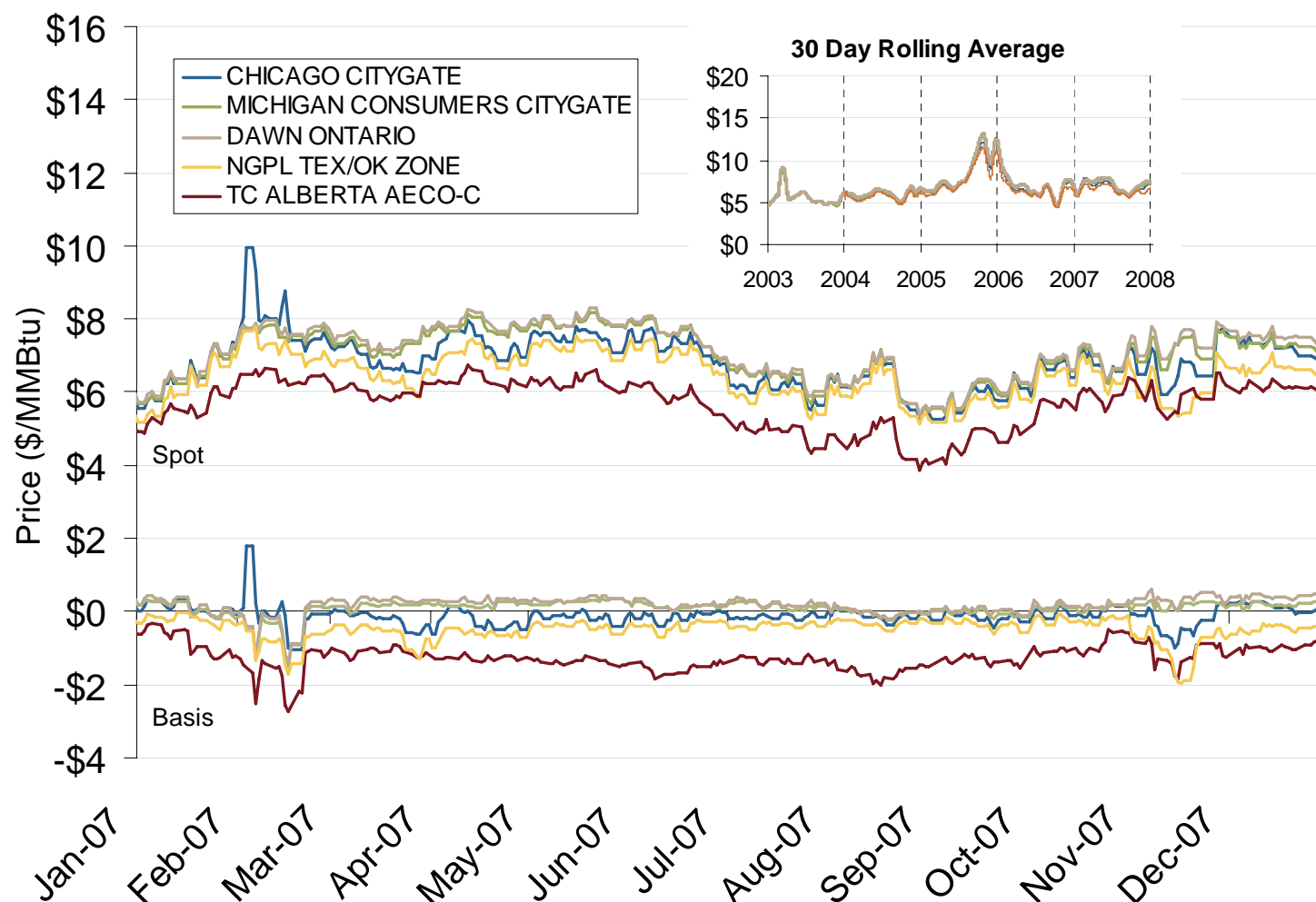
## Southeastern Day-Ahead Hub Spot Prices and Basis



Source: Derived from *Platts* data.

Updated January 9, 2008 2058

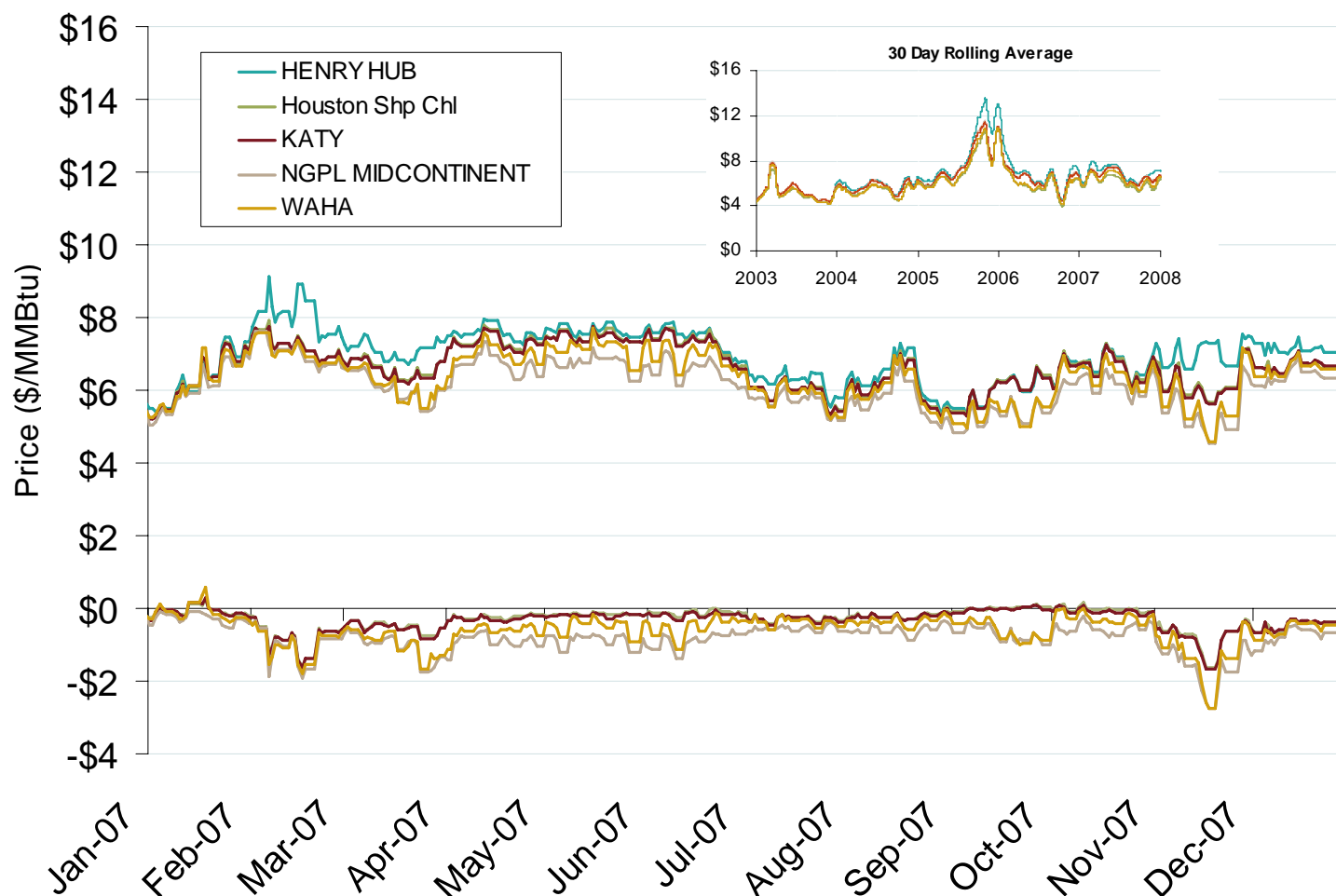
## Midwestern Day-Ahead Hub Spot Prices and Basis



Source: Derived from *Platts* data.

Updated January 9, 2008 2016

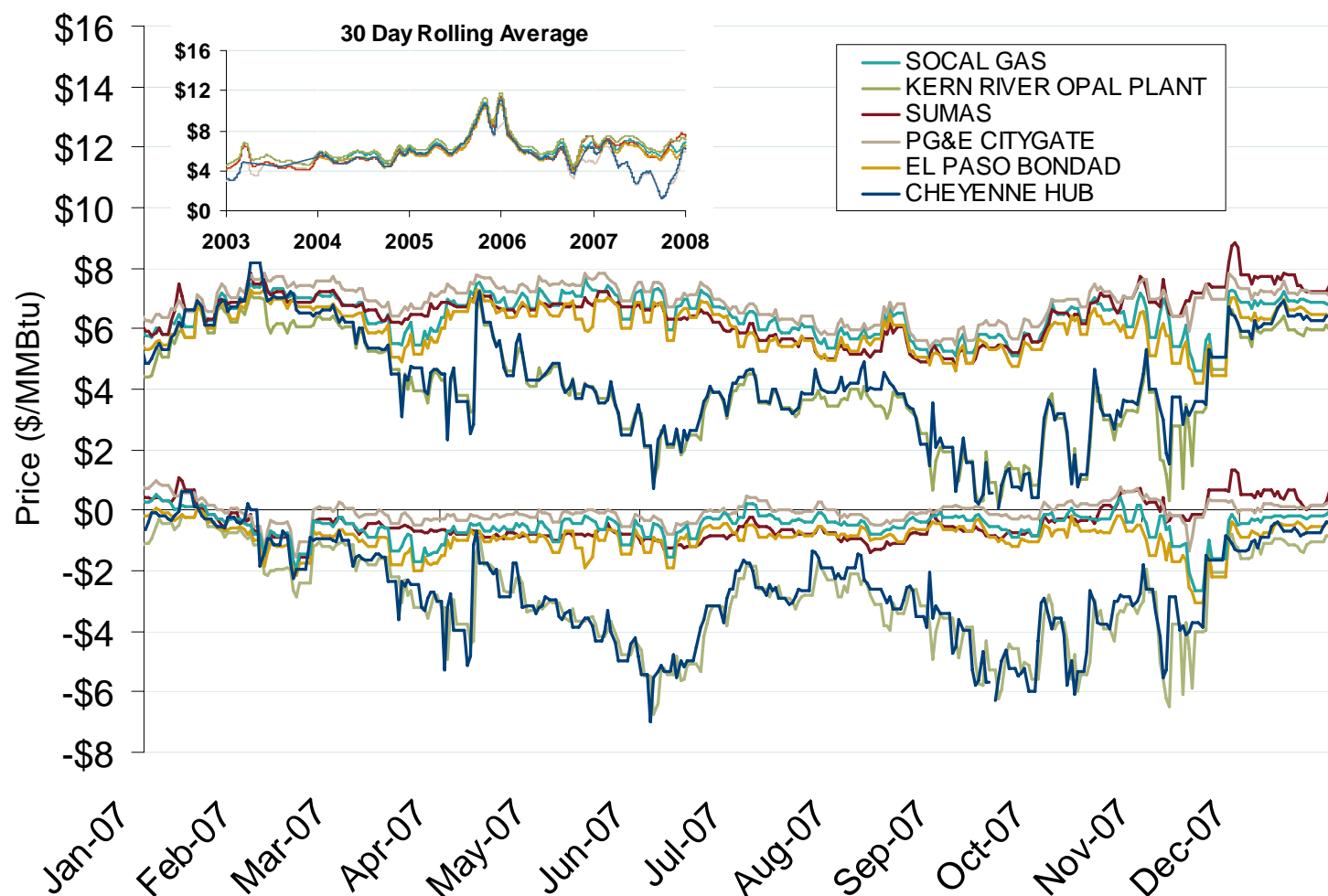
## South Central Day-Ahead Hub Spot Prices and Basis

Source: Derived from *Platts* data.

Updated January 9, 2008

2044

## Western Day-Ahead Hub Spot Prices and Basis

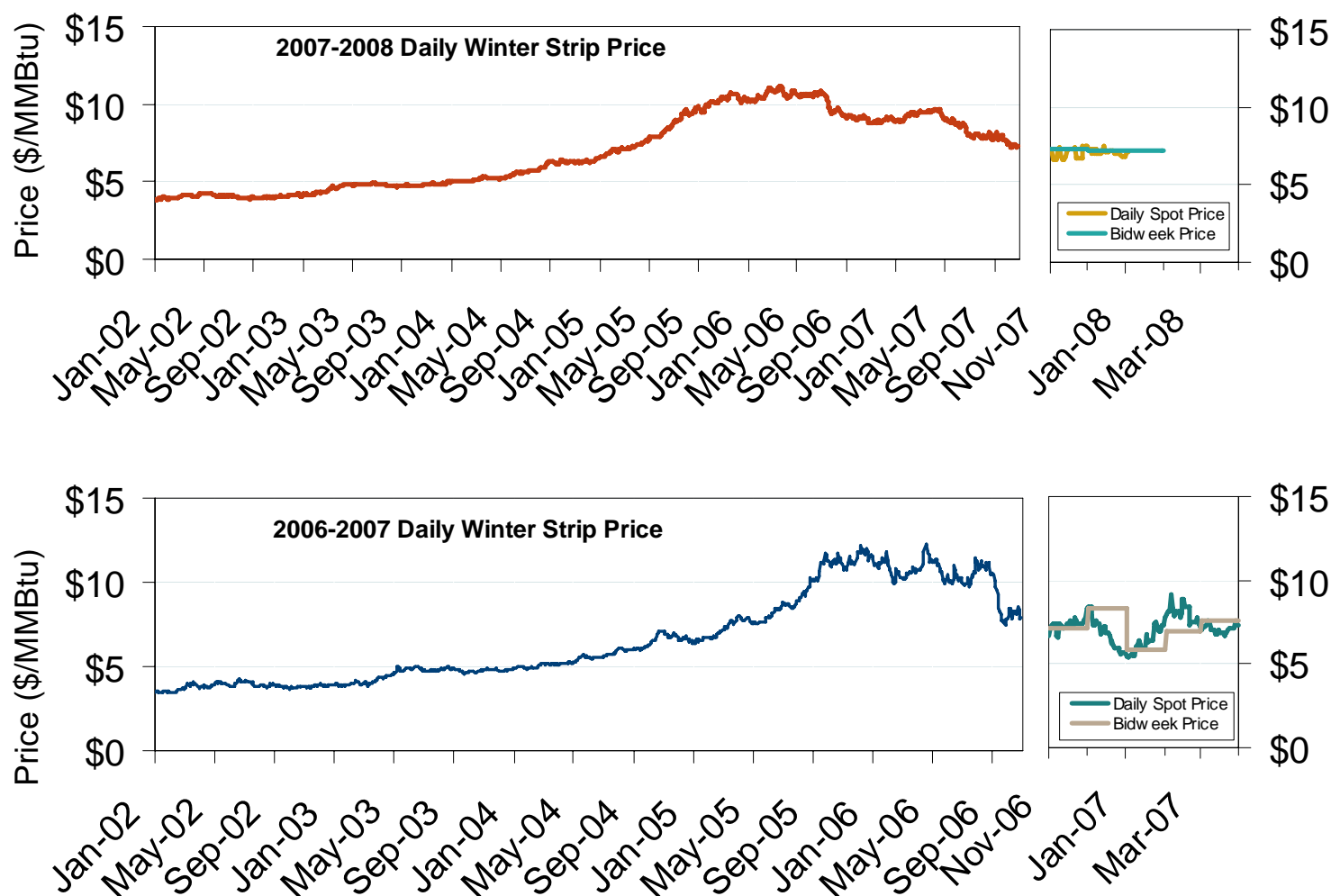


Source: Derived from *Platts* data.

Updated January 9, 2008 2072

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## Natural Gas Winter Futures Strip and Daily Henry Hub Spot and Bidweek Prices

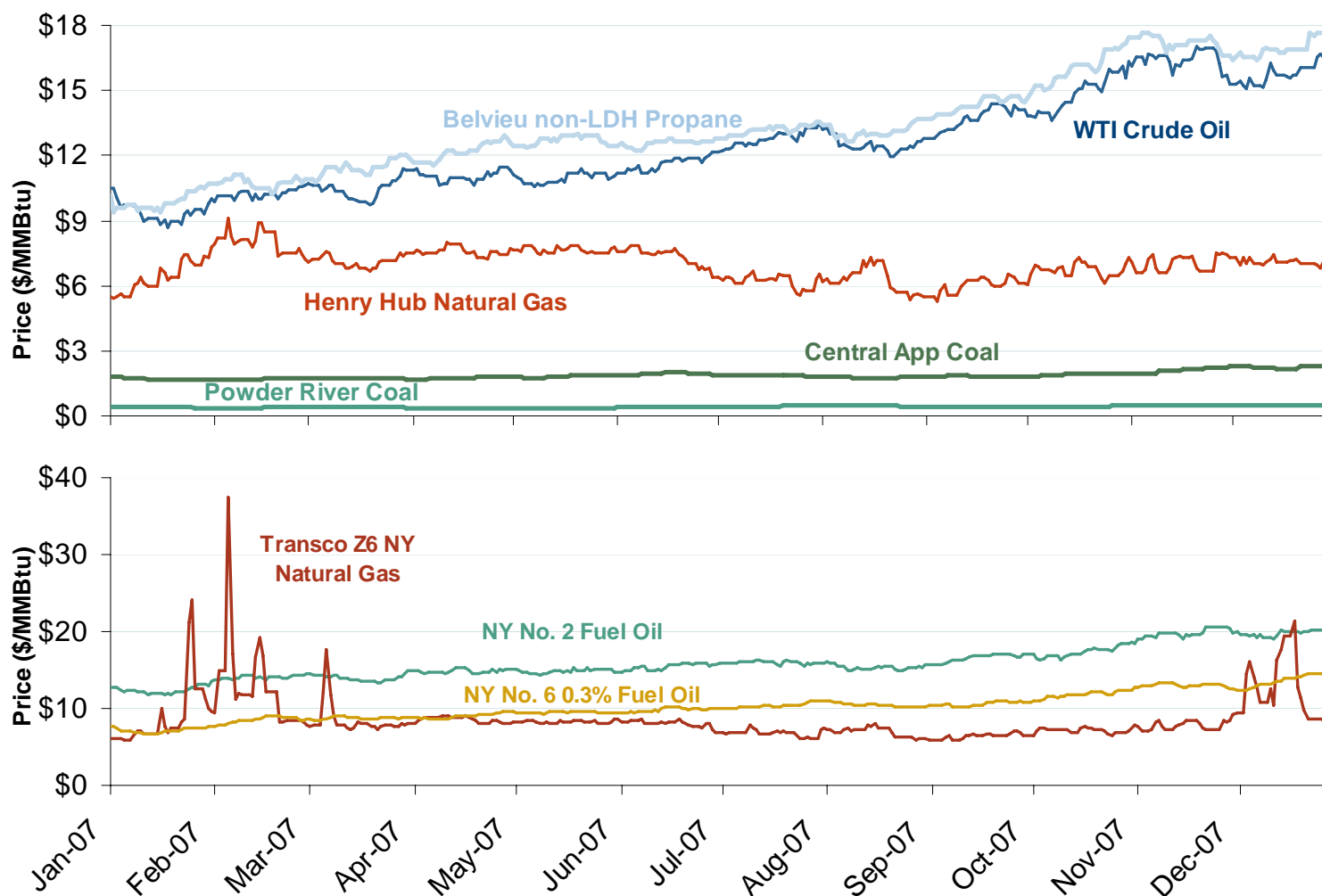


Source: Derived from Platts and Nymex data.

Updated January 9, 2008

2158

## Oil, Coal, Natural Gas and Propane Daily Spot Prices



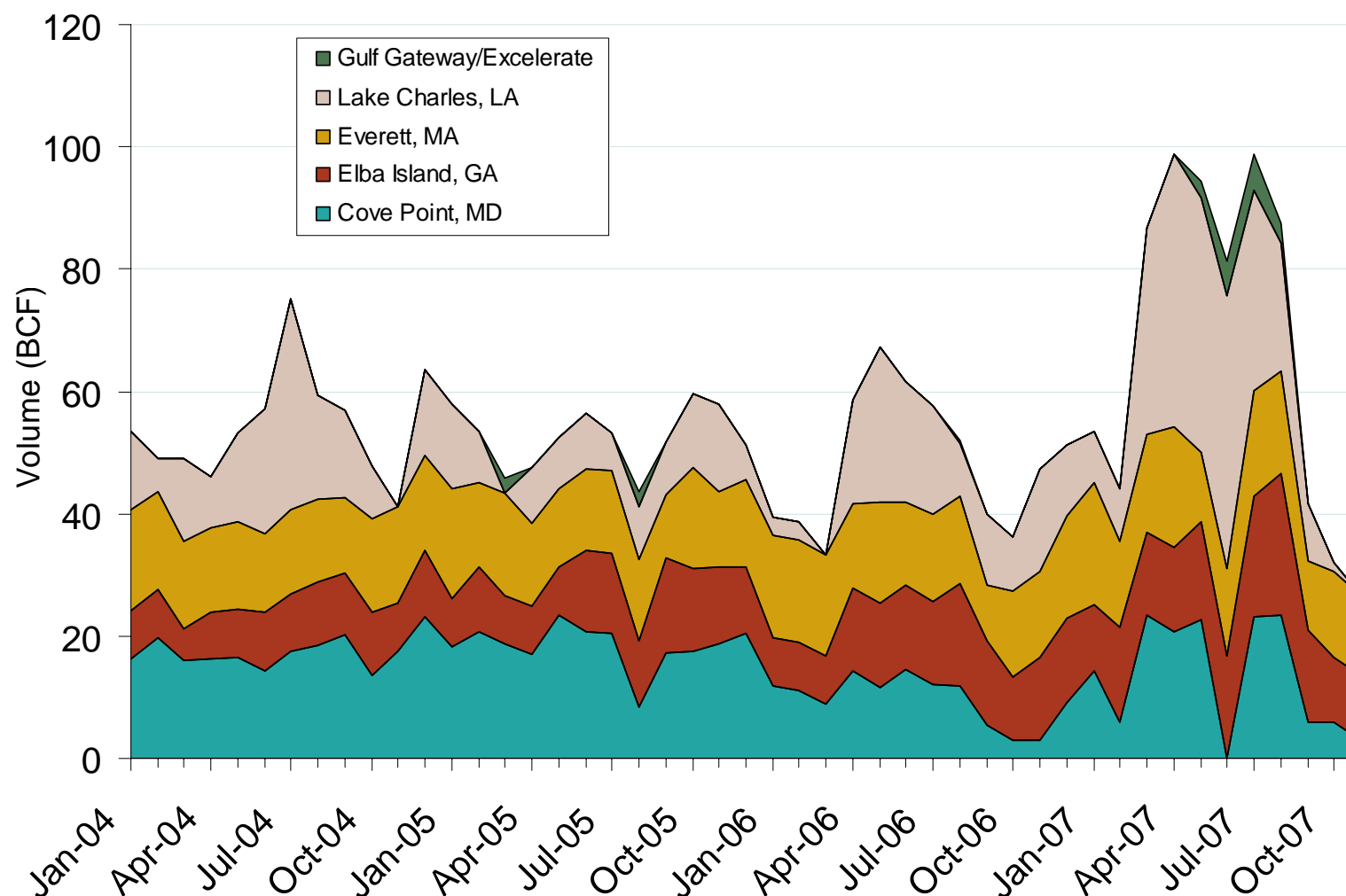
Source: Derived from ICE and Bloomberg data.

Note: Coal prices are quoted in \$/ton. Conversion factors to \$/MMBtu are based on contract specifications of 12,000 btus/pound for Central Appalachian coal and 8800 btus/pound for Powder River Basin coal.

Updated January 9, 2008

3001

## Monthly Gas Imports at Existing U.S. LNG Facilities

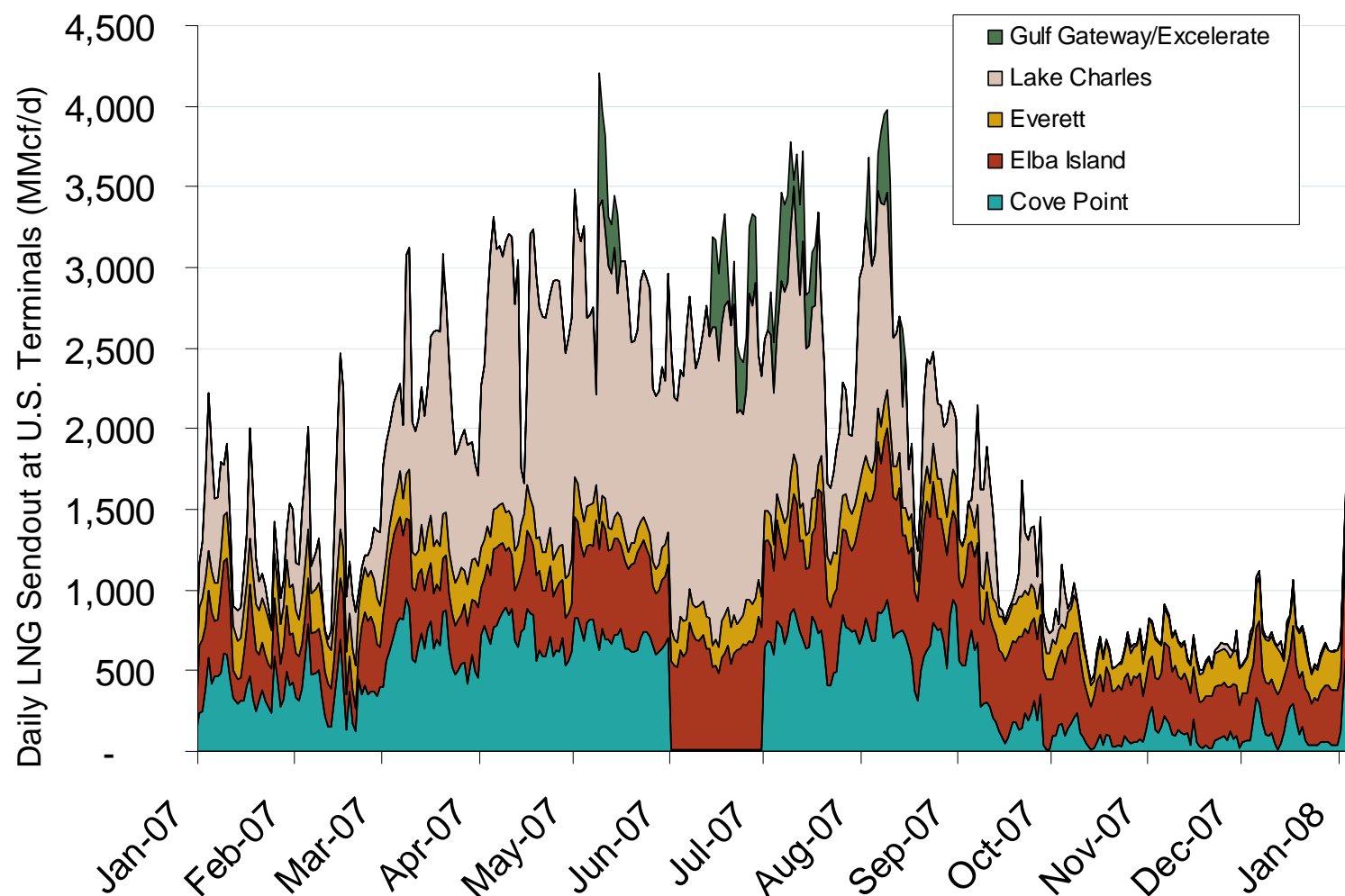


Source: Derived from EIA data.

Updated January 9, 2008

3014

## Daily Gas Sendout from Existing U.S. LNG Facilities

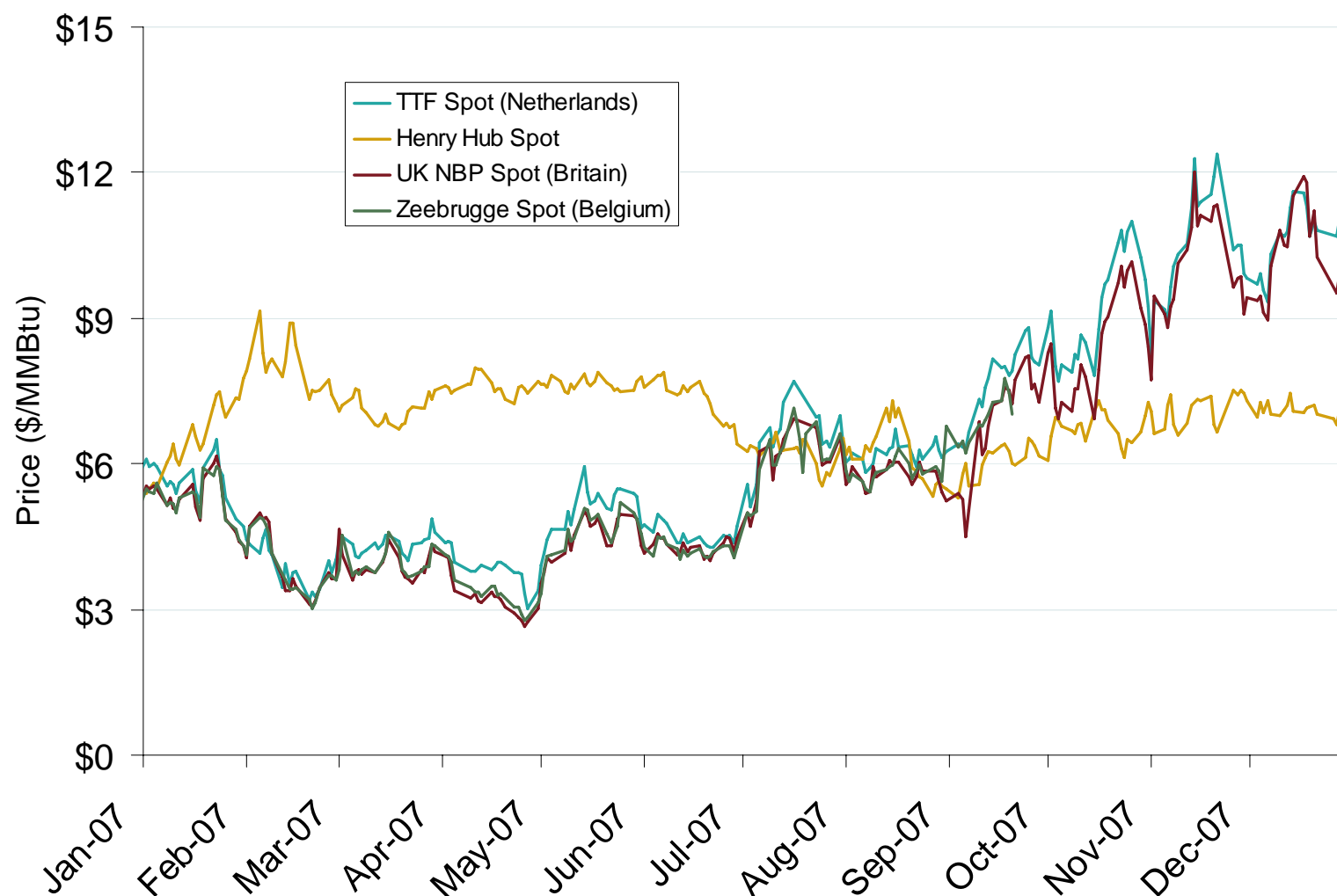


Source: Derived from *Bentek* data. Excludes Everett LNG delivered via truck and consumed by the Mystic plant.

Updated January 9, 2008

3007

## European and U.S. Spot Natural Gas Prices

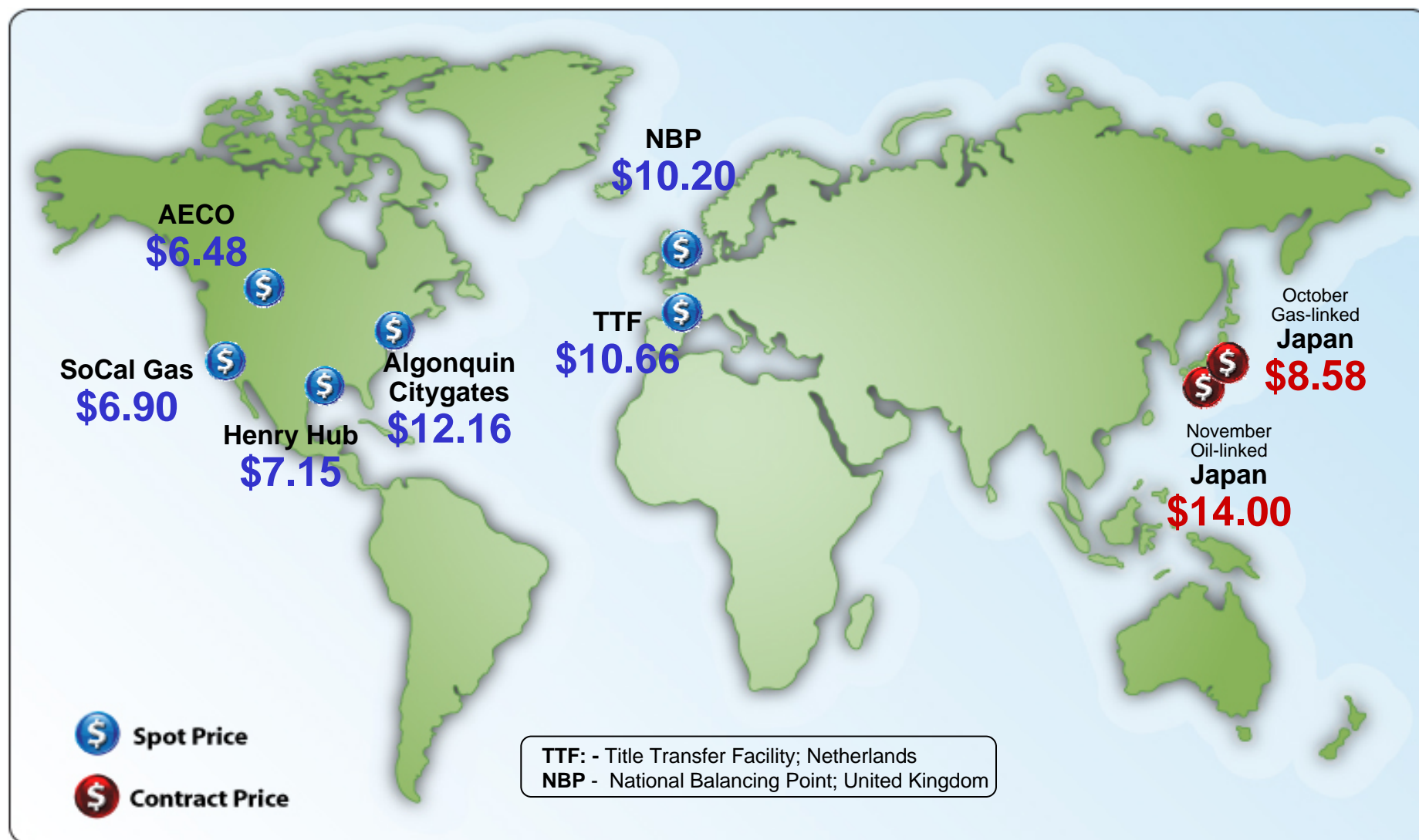


Source: Derived from *Bloomberg* and *ICE* data.

Updated January 9, 2008

3008

## World Natural Gas Prices for December 2007



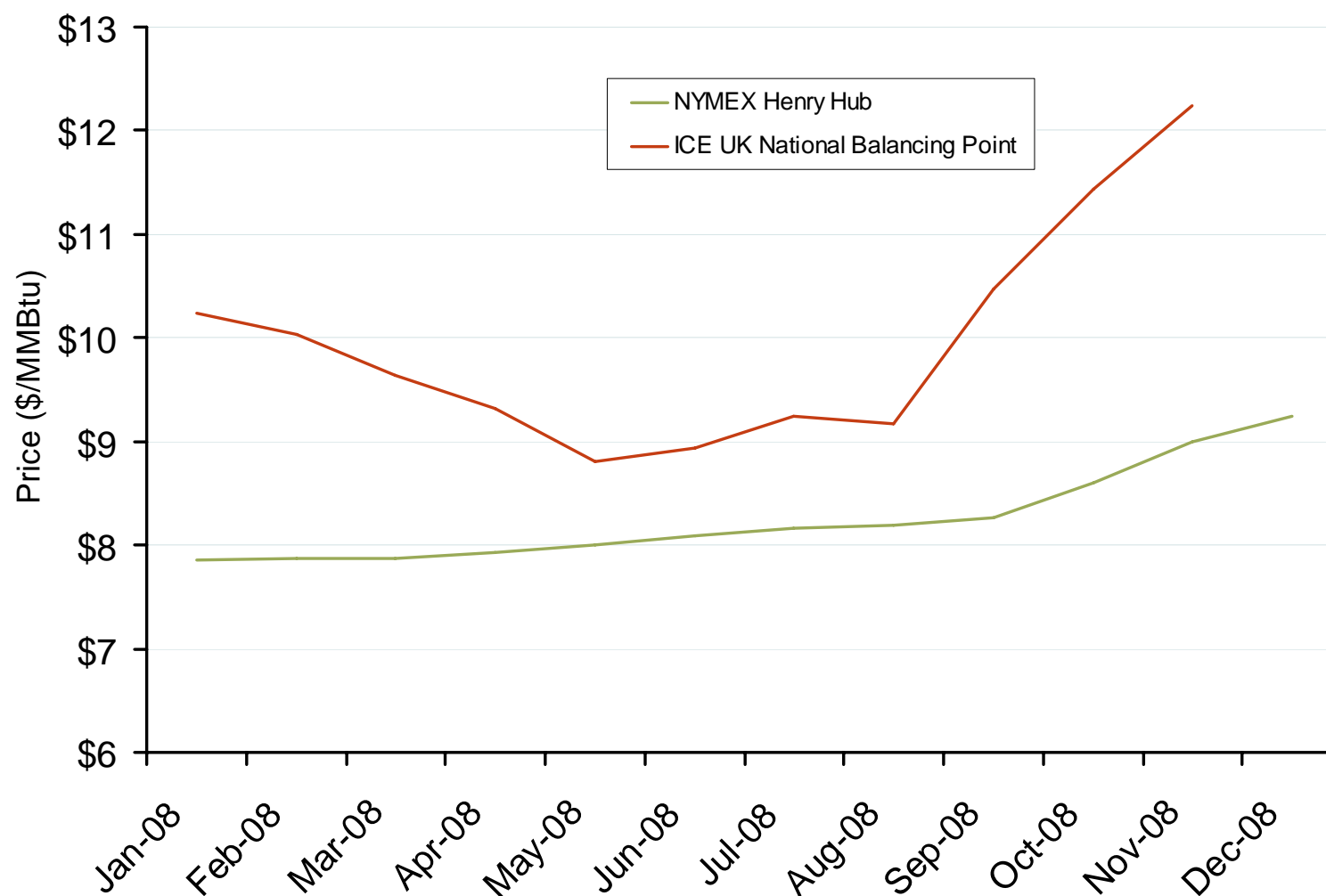
Source: Derived from *Bloomberg, ICE, ICAP and LNG Japan Corp.* data. Spot Price is a monthly average of daily prices. Contract Price is a monthly price. All prices in \$US/MMBtu.

Updated January 9, 2008

2165

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## NYMEX Henry Hub and ICE UK National Balancing Point Natural Gas Forward Price Curves

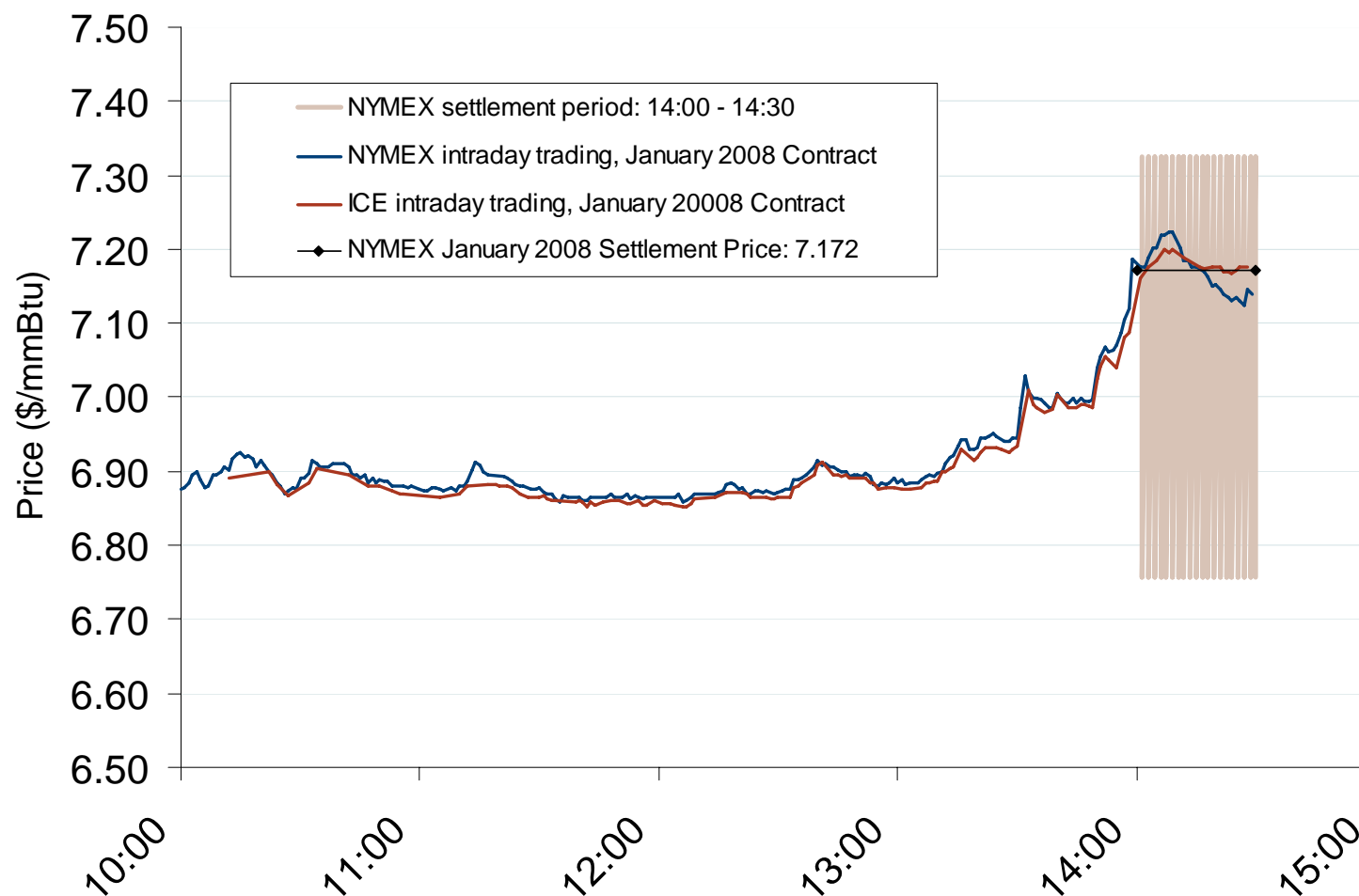


Source: Derived from NYMEX and ICE data.

Updated January 9, 2008

3016

## January 2008 NYMEX and ICE Contract Final Settlement Day



See 2003-2007 historical monthly final settlement day charts.

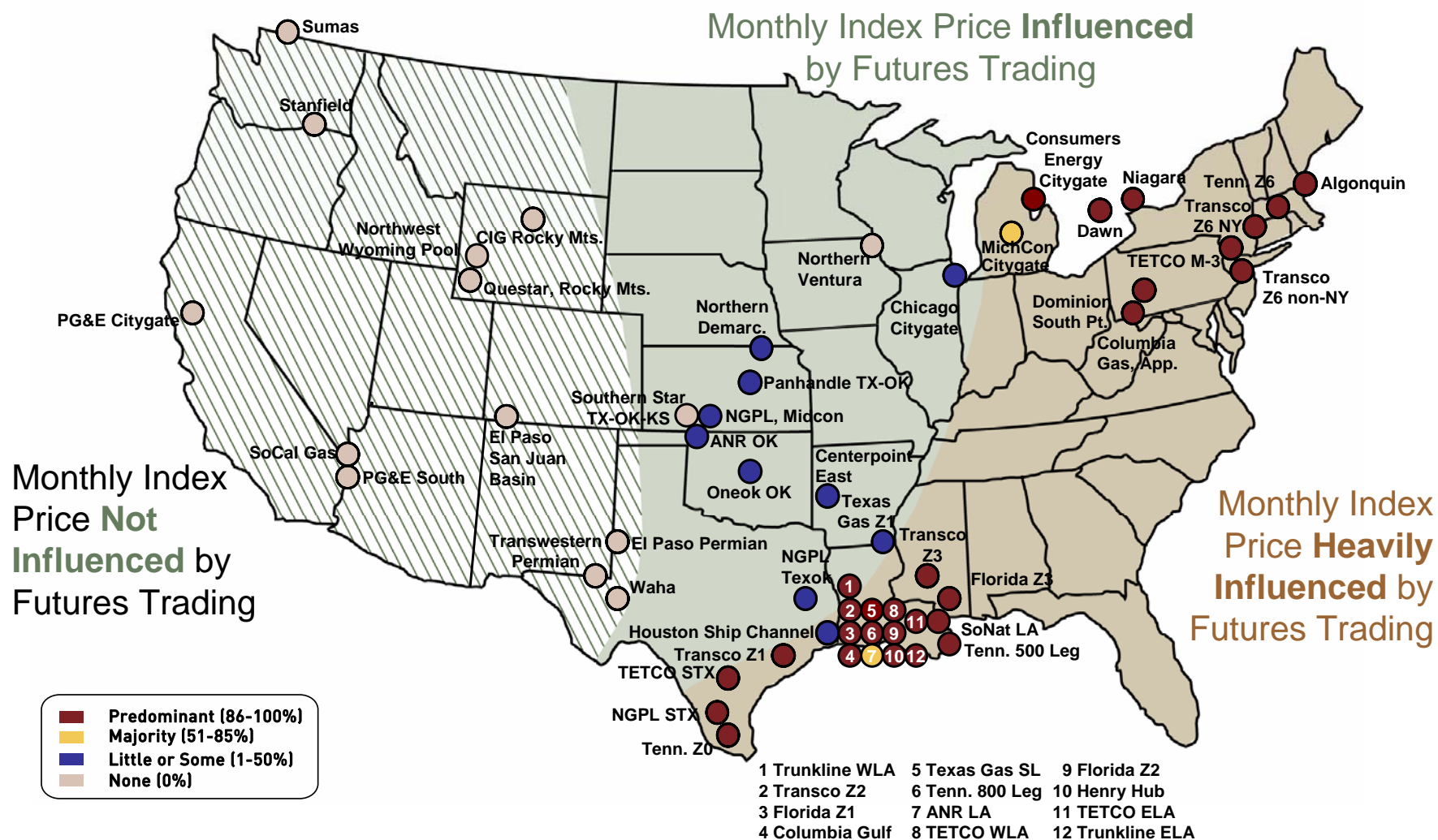
December 27, 2007 Trade Time

Source: Derived from Nymex and ICE data.

Created December 30, 2007

2166

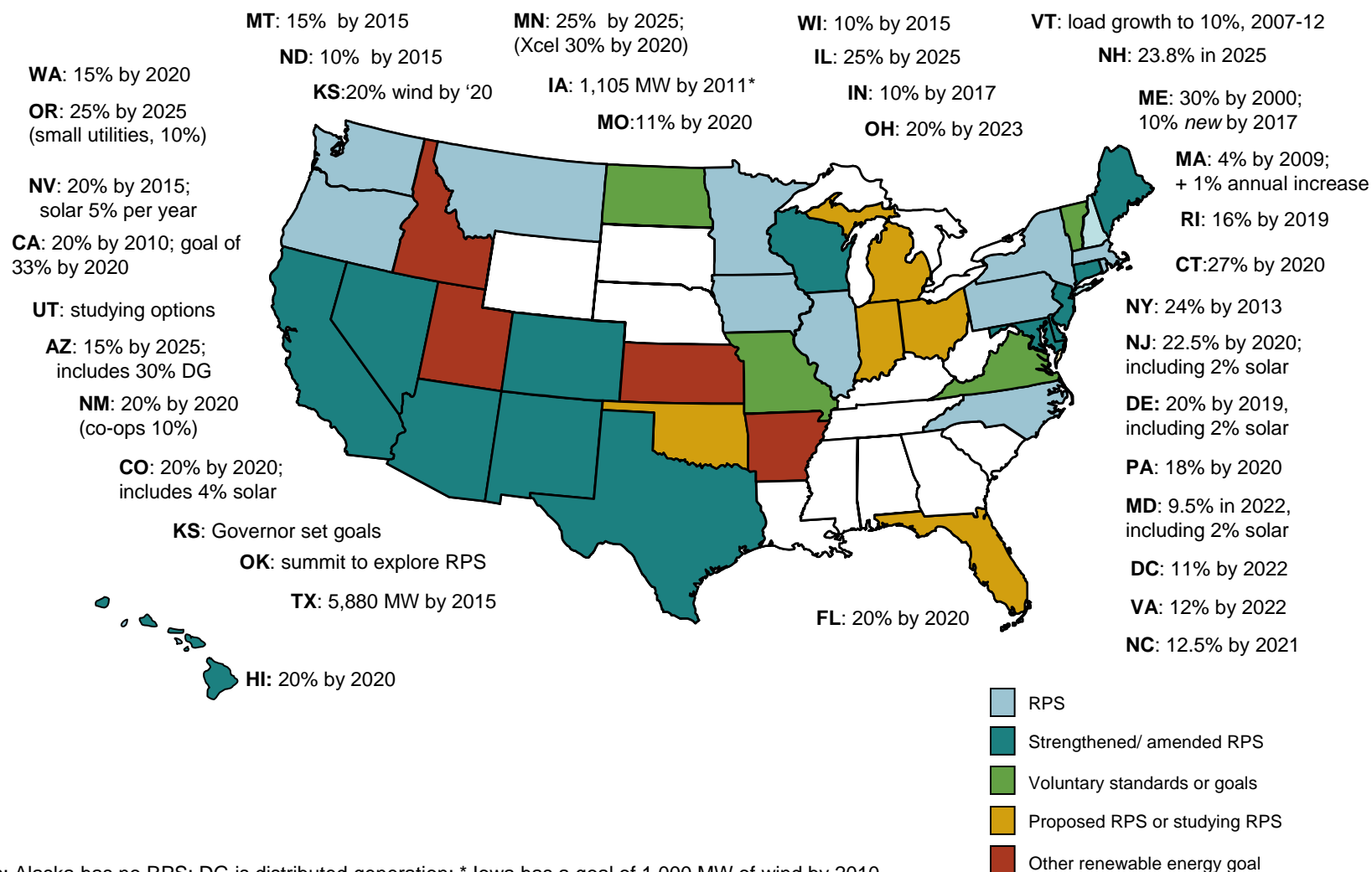
## Use of Physical Basis in Natural Gas Price Indices at Major Trading Points, 2007



Source: Derived from *Platts* data for January through October 2007 indices.

Updated October 11, 2007

## 2007 Review of Renewable Energy Portfolio Standards



**Notes:** Alaska has no RPS; DG is distributed generation; \* Iowa has a goal of 1,000 MW of wind by 2010

**Sources:** Derived from data in: EEI, EIA, LBNL, PUCs, State legislative tracking services, Database of State Incentives for Renewables and Efficiency, and the Union of Concerned Scientists.

Updated January 15, 2008

1109

## 2007 Review of Renewable Energy Portfolio Standards

- A Renewable Portfolio Standard (RPS) requires a percent of energy sales or installed capacity to come from renewable resources.
- 26 states and D.C. have an RPS, also known as a Renewable Energy Portfolio Standard.
  - Five passed an RPS in 2007: Illinois, Minnesota, New Hampshire, North Carolina, and Oregon.
  - Eight amended an RPS: Colorado, Connecticut, Delaware, Maine, Maryland, Massachusetts, New Mexico, and Texas.
- Four states have renewable goals without financial penalties; three passed them in 2007: Missouri, North Dakota, and Virginia.
  - Virginia's goals include financial incentives.
  - Vermont's goal will be rolled into an RPS if it doesn't attain its stated goals by 2012.
  - Iowa has a voluntary goal of 1,000 MW of wind by 2010, beyond the 105 MW in its RPS.
- Indiana, Michigan, and Ohio proposed RPS legislation in 2007, which didn't pass; they intend to re-introduce bills in 2008.
- Florida and Oklahoma are actively studying an RPS; the Governors of Kansas and Utah announced renewable goals in 2007.
- 54% of U.S. load is located in states with a renewable energy purchase obligation; an additional 6% is in states with a renewable energy goal.
- Eleven states include energy efficiency in their RPS or renewable goals.
- Arkansas proposed that utilities should include clean energy and renewable resources in their integrated resource plans; Idaho's Energy Plan urged utilities to give priority to DR, EE, and in-state renewable energy.
- Some states are addressing the importance of transmission upgrades, building, and interconnection to support renewable resources, often located far from load:
  - The Texas PUC designated five preferred "Competitive Renewable Energy Zones" (CREZ) in October and authorized transmission development to bring power from windy areas to load centers.
  - California and Colorado are developing similar CREZ planning and cost recovery policies.
  - New Mexico created a Renewable Energy Transmission Authority at the same time it increased its RPS goal in March 2007.